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UNITED STATES OF AMERICA POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268-0001

Competitive Product Prices
Inbound Competitive Multi-Service Agreements with
Foreign Postal Operators
United States Postal Service Contractual Bilateral
Agreement – FY22-2 (MC2010-34)
Negotiated Service Agreement

Docket No. CP2022-36

CHAIRMAN'S INFORMATION REQUEST NO. 1

(Issued December 20, 2021)

To clarify the information provided by the Postal Service in its notice of filing a functionally equivalent Inbound Competitive Multi-Service Agreement with a Foreign Postal Operator – FY22-2, filed December 13, 2021,¹ the Postal Service is requested to provide written response to the following question. The answer to the question should be provided no later than December 27, 2021.

Please refer to the financial workpapers filed in support of the instant FPO-USPS FY22-2 Agreement.² The financial workpapers include negotiated rates for inbound ECOMPRO parcels. To calculate costs and revenues associated with the delivery of projected ECOMPRO parcels under the FPO-USPS FY22-2 Agreement, the Postal Service uses weight and cost data for inbound air parcels for Fiscal Year 2020. In Docket Nos. MC2017-58 and CP2017-86, the Postal Service proposed to change the wording of Mail Classification Schedule (MCS) section 2310.6 to read "The Universal Postal Union Postal Operations Council (POC) sets the amount paid for incoming air parcel flows tendered by postal operators with which there is no contractual relationship

¹ Notice of United States Postal Service of Filing Functionally Equivalent Inbound Competitive Multi-Service Agreement with Foreign Postal Operator – FY22-2, December 13, 2021 (Notice). Attachment 2 to the Notice includes a copy of the agreement (FPO-USPS FY22-2 Agreement).

² See Excel file "NONPUBLIC-USPS-CP2022-36-EMS Parcel.xls."

governing the applicable price, except when such rates are otherwise fixed by the POC upon notification by the Postal Service or except when such fixed rates are bilaterally discounted." In Order No. 3748, the Commission did not approve filing discounted ECOMPRO prices under future bilateral agreements due to the inability to assess whether "future bilateral ECOMPRO discounted agreements would comport with the provisions applicable to prices for competitive products" in Docket Nos. MC2017-58 and CP2017-86. Accordingly, the Commission did not approve the proposed revisions to MCS section 2310.6 to incorporate discounted ECOMPRO price agreements. *Id.* Please explain the basis for including the ECOMPRO offering under the FPO-USPS FY22-2 Agreement.

By the Chairman.

Michael Kubayanda

³ Docket Nos. MC2017-58 and CP2017-86, Notice of the United States Postal Service of Filing Changes in Rates Not of General Applicability for Inbound Parcel Post (at UPU Rates), Change in Mail Classification Schedule, and Application for Non-Public Treatment, December 19, 2016, at 5-6 (edit and underlining in the original).

⁴ See Docket Nos. MC2017-58 and CP2017-86, Order Approving in Part Classification Changes for Inbound Parcel Post (at UPU Rates), January 11, 2017, at 9 (Order No. 3748).